



January 18, 2012

To: Executive Board

Subject: **2012 Legislative Summary**

Recommendation

Receive and file the January 2012 Legislative Summary. There are no recommended positions on bills this month.

Analysis

A summary of state and federal legislation and its status is attached. The State Legislature reconvened in Sacramento on January 4 for the 2nd year of the legislative session. Most of January will deal with bills introduced in 2011 that are waiting final action. January 31 is the last day for each house to pass bills introduced in their house in 2011.

January 10 is the deadline for the Governor to submit the first draft of his 2012-13 Fiscal Year (FY) Budget. Governor Brown surprised everyone by releasing his budget proposal early on January 5. He said he will need to cut \$5.4 billion from schools, universities and public safety if voters don't approve a tax increase in November. Thanks to the re-enactment of the gas tax swap, transportation is held relatively harmless from additional cuts. Problems still exist however as historic state funding that was used to fund transit has essentially been converted to pay down bond debt service making it difficult to keep up with demand for infrastructure improvements. This makes it tough for regional transportation planning agencies, county transportation commissions' and metropolitan planning organizations (MPO's) to address both highway and transit needs and reduce greenhouse gas emissions due to constrained revenues. Keep in mind that this is just a first draft with many changes likely over the coming months including the important May Revision and June 15 as the deadline for final passage.

We received exciting news from Sacramento on January 4!! The San Gabriel Valley's own State Senator Bob Huff was elected Senate Republican Leader following a vote of the Senate Republican Caucus. The 29th District Senator, who previously served as Republican Caucus Leader and Vice Chair of the Senate Budget Committee, was a unanimous selection to succeed Senator Bob Dutton of Rancho Cucamonga. Senator Huff was first elected to the State Assembly in 2004 after serving nine years on the Diamond Bar City Council, including two terms as Mayor. He was later elected to serve the 29th Senate District in 2008. Senator Huff was also a member of the Foothill Transit Executive Board and served as our President in 2002 and 2003. Congratulations to Senator Huff on this significant achievement!!



Special Executive Board Meeting – 1/18/12
2012 Legislative Summary
Page 2

In Washington, D.C., before the new year, Congress passed a bill extending the current payroll tax rate and unemployment insurance until the end of February 2012. Despite extensive advocacy efforts, the bill did not include extensions of the alternative fuel tax credit or the public transportation commuter benefit (at the rate of \$230 per month per commuter). While Congress could return this year to reconcile their differences on the tax extenders, these issues may drag on. The upcoming Presidential election in November will likely play a part in how many of these types of tax issues are dealt with throughout the year. We will work with the American Public Transportation Association (APTA) and our congressional delegation to see these very important transit tax issues extended in 2012.

Financial Impact

The Governor's proposed budget will have no impact on the Foothill Transit budget. If Congress is unable to pass the alternative fuel tax credit in 2012, Foothill Transit would see the loss of approximately \$3 million in potential operating funds without it.

Sincerely,

David Reyno
Director of Government Relations

Doran J. Barnes
Executive Director

2012 Legislation Summary

Current as of 1/18/2012

(Amendments and Bills with updated status or requesting action are indicated in **bold)**

Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
AB 147	Dickinson	Existing law under the Subdivision Map Act authorizes cities and counties to charge developer fees to defray the costs of infrastructure improvements to support development projects. Development impact fees levied under the Subdivision Map Act are charged as a condition of approval of a final map or building permit. Current law limits the use of these fees for the mitigation of traffic impacts to bridges and major thoroughfares. AB 147 would authorize a local agency to also use this fee for transit, bicycle, and pedestrian facilities.	This bill could mean more local money provided to Foothill Transit for facility construction.	Signed by the Governor & Chaptered by the Secretary of State - 9/6/2011	CTA - Support	Support Position Adopted 3/25/2011
AB 345	Atkins	Would require the Department of Transportation (Caltrans) to ensure that any committee or formal group of the California Traffic Control Devices Committee (CTCDC) includes representation from all users of the road, including public transit, thereby improving the implementation of complete streets policies.	This bill will make certain that the interests of state public transit agencies including Foothill Transit are represented on the CTCDC.	Now a 2 Year Bill	CTA - Support	Support Position Adopted 5/27/2011
AB 485	Ma	Would provide an optional financing mechanism to allow transit agencies greater incentives and opportunities to explore transit-oriented development (TOD) options with local governments. Furthermore, if a city or county wishes to pursue a TOD project with a local transit agency within an existing "transit village development district," they may pursue an agreement setting forth the conditions by which bonds could be issued to develop and make improvements to a specific transit station.	This bill would provide Foothill Transit greater opportunities to work with our member cities and the County to pursue transit oriented development partnerships.	Now a 2 year Bill	CTA - Support	Support Position Adopted 4/27/2011
AB 650	Blumenfield	This bill would establish the Blue Ribbon Task Force on Public Transportation for the 21st Century and would require the task force to be comprised of 12 specified members appointed by the Senate Committee on Rules and the Speaker of the Assembly by March 31, 2012. The bill would require the task force to prepare a written report that contains specified findings and recommendations relating to the current state of California's transit system, the estimated cost of creating the needed system over various terms, and potential sources of funding to sustain the transit system's needs, and to submit the report by March 31, 2013, to the Governor and other key legislative bodies.	We understand that members of the environmental community will have a role on the Task Force which brings an important voice for transit into the mix who has not been actively involved previously.	Vetoed by the Governor - 9/26/2011	CTA – Support LA Metro - Support	Support Position Adopted 3/25/2011
AB 1097	Skinner	Would require the Secretary of the Business, Transportation and Housing Agency to authorize a state or local agency receiving federal funds for transit purposes to provide a bidding preference to a bidder if the bidder meets or exceeds Buy America requirements applicable to federally funded transit projects.	Existing federal guidelines preclude state transit agencies that receive federal funds from crediting American-made products and manufacturing at a greater than 60% level unless a state Buy American provision exists in statute that is more stringent than Federal Transit Administration (FTA) standards. The State of California currently has no such preference law. By authorizing transit agencies to assign more credit to bidders that use a higher percentage of domestic content	Signed by the Governor & Chaptered by the Secretary of State - 10/2/2011	CTA – Support	Support Position Adopted 8/26/2011

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Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
SB 582	Emmerson	Existing law requires transportation planning agencies to undertake various transportation planning activities, including preparation of a regional transportation plan and also requires transportation planning agencies that are designated under federal law as metropolitan planning organizations (MPO's) to include a sustainable communities strategy as part of the regional transportation plan for their region. SB 582, beginning on January 1, 2013, would authorize a metropolitan planning organization, in partnership with the local air quality management district, to adopt a commute benefit ordinance that requires covered employers operating within the common jurisdiction of the organization and district with 20 or more covered employees to offer those employees certain commute benefits.	Additional commuter benefits could mean more potential riders on Foothill Transit's system.	Vetoed by the Governor – 8/1/2011	CTA – Support	Support Position Adopted 3/25/2011
H.R. 1380	Sullivan	The New Alternative Transportation to Give Americans Solutions Act of 2011 is designed to promote a switcheroo from petroleum-based fuels to natural gas for transportation. The bill would provide a variety of tax breaks to transit agencies, trucking companies, vehicle owners and vehicle manufacturers to transition from gasoline and diesel to natural gas and provide approximately \$5 billion in subsidies over a five year period. Transit agency tax breaks would include amending the Internal Revenue Code to allow an excise tax credit through 2016 for alternative fuels and fuel mixtures involving compressed or liquefied natural gas.	The extension of the alternative fuels excise tax credit until 2016 would provide Foothill Transit with an ongoing operating funding source for the next five years.	House Committee on Energy and Commerce	Clean Energy	Support